

## Message Text

UNCLASSIFIED

PAGE 01 SEOUL 02243 210557Z

ACTION EA-09

INFO OCT-01 ISO-00 EB-08 /018 W

-----210559Z 020125 /15

R 200446Z MAR 77

FM AMEMBASSY SEOUL

TO USDOC WASHDC

INFO SECSTATE WASHDC 2747

AMEMBASSY SINGAPORE

AMEMBASSY TOKYO

AMEMBASSY MANILA

AMCONSUL HMNGKONG

UNCLAS SEOUL 2243

E.O. 11652: N/A

TAGS: BENC, KS

SUBJECT: MAJOR PROJECT- KOREAN NATIONAL RAILROAD-SIXTH IBRD LOAN

REF: USDOC 04380, SEOUL 1330

1. ROKG WILL NOT DECIDE WHICH KOREAN FIRM IS TO BE SOLE LOCAL BIDDER AT LEAST UNTIL LOAN AGREEMENT HAS BEEN SIGNED. HOWEVER, BASED UPON PAST EXPERIENCE, THE SOLE LOCAL BIDDER IS LIKELY TO BE:

SSANGYONG TRADING CO., LTD.,  
MR. WOO, YONG-HOI, PRESIDENT,  
SSANGYONG BUILDING,  
24-1, ZUH-DONG, 2-KA, CHOONG-KU,  
SEOUL, KOREA.  
CABLE: "TWINDRA" SEOUL  
TELEX: TWINDRA K2470, K28215, K28442

2. SSANGYONG IS LIKELY TO BE REQUIRED BY THE ROKG TO DIVIDE PRODUCTION BETWEEN KOREA'S TWO EFFICIENT ROLLING STOCK MANUFACTURING FIRMS. UNDER THE FIFTH IBRD LOAN FOR ROLLING STOCK, TWO THIRDS OF THE CARS WERE MANUFACTURED BY,  
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 SEOUL 02243 210557Z

(A) DAEWOO INDUSTRIAL CO., LTD.  
MR. KIM, WOO CHUNG, PRESIDENT,  
DAEWOO BUILDING,  
#286, YANG DONG, CHUNG-KU, SEOUL, KOREA.  
CABLE: "DAEWOOTEX" SEOUL  
TELEX: DNTEX K2495, K28295, K26203

AND ONE THIRD WERE MANUFACTURED BY,

(B) KOREA SHIPBUILDING ENGINEERING CORPORATION (KSEC)

MR. NAMKOONG, RYUN, CHAIRMAN,

55-4 SUSOMUN-DONG, SUDAEMUN-KU, SEOUL, KOREA

CABLE: SHIPYARD SEOUL

TELEX: KSEC 2269S, 28322 S

KNR OFFICIALS UNDERSTAND THAT THE DAEWOO HAS A TECHNICAL TIE-UP WITH THE NIPPON SHARYO (ROLLING STOCK) CO. OF JAPAN, BUT THAT KSEC IS NOT KNOWN TO HAVE ANY TECHNICAL TIE-UP WITH OTHER MANUFACTURERS.

3. KNR OFFICIALS EXPECT THAT A LOAN AGREEMENT WITH IBRD ON THIS PROJECT MAY BE SIGNED IN LATE 1977 AND BELIEVES FIRMS FROM INDIA, JAPAN AND KOREA ARE PROSPECTIVE BIDDERS ON 1300 FREIGHT CARS.

4. IN DECEMBER 1975, UNDER THE FIFTH IBRD LOAN TO KNR, SSANGYONG TRADING CO. CONTRACTED WITH KNR FOR BOX CARS AND GONDOLAS WITH UNIT PRICES OF \$25,000 AND \$22,000 RESPECTIVELY.

5. FOR YOUR INFORMATION, EMBASSY HAS LEARNED THAT KNR NOW ESTIMATES THAT THE PRICES FOR THE BOX CARS AND GONDOLAS UNDER THE SIXTH IBRD LOAN WILL BE \$26,000 AND \$23,000 RESPECTIVELY.  
STERN

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 20-Mar-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01-Jan-1960 12:00:00 am  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977SEOUL02243  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770095-1195  
**Format:** TEL  
**From:** SEOUL  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1977/newtext/t19770341/aaaabjkz.tel  
**Line Count:** 88  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 868a5cb5-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EA  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 SEOUL 1330  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 14-Oct-2004 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3054548  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** MAJOR PROJECT- KOREAN NATIONAL RAILROAD-SIXTH IBRD LOAN  
**TAGS:** BENC, KS  
**To:** COM  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/868a5cb5-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009